Loss making PSUs

1541. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) the names of the Public Sector Undertakings continuously incurring losses over the last ten years and the loss incurred by each of them during each of the last ten years;

(b) the names of those undertakings among these which have been referred by BIFR for revival and assistance and making them viable;

(c) the names of the undertakings which are not viable and the reasons therefor;

(d) the steps/measures Government propose to take to either make them viable or disinvest/privatize them; and

(e) the manner in which the interests of these employees of these undertakings are likely to be protected?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABH-BHAI RAMJIBHAI KATHIRIA): (a) to (c) As per information available as on 31.3.2001, there were 43 CPSUs continuously incurring losses over the last ten years. The names of these CPSUs along with losses incurred during the last ten years is given in Annexure. [See Appendix 195, Annexure No. 21]. 32 of these CPSUs are referred to BIFR. As regards revival of these CPSUs it may be mentioned that for 10 CPSUs, BIFR have circulated 'draft revival scheme', "revival scheme" has been sanctioned for Heavy Engineering Corporation Ltd. and one CPSU namely NERMAC, is declared 'no longer sick' by BIFR. Further of these CPSUs BIFR have recommended "winding up" in 12 cases and have issued "winding up notice" for 3 CPSUs. Status of these CPSUs with BIFR is also indicated in the annexure. The reasons for sickness are enterprise specific. However, some of the common reasons for sickness include inherited sickness in case of taken over units from the private sector, obsolete plant and machinery, outdated

technology, low capacity utilisation, excess manpower, resource crunch and erosion of net worth due to continuous losses, lack of credit worthiness, heavy interest burden, weak marketing strategies as well as managerial problems etc.

(d) The Government's policy towards public sector as enunciated in the Budget for the year 2000-01, is to:

— Restructure and revive potentially viable PSUs;
— Close down PSUs which can not be revived;
— Bring down Government equity in all non-strategic PSUs to 26% or lower, if necessary; and
-— Fully protect the interests of worker.

(e) In the interest of workers, the Government offers a Voluntary Separation Scheme (VSS) which is far more generous than the retrenchment compensation available under the Industrial Disputes Act. Alongwith the VSS, payment of past wages and statutory dues are also ensured. The Government has also put in place a scheme for 'Counselling, Retraining and Redeployment of Rationalised workers.'

Bifurcation of CCI

1542. SHRI DRUPAD BORGOHAIN: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) the difficulty to float a new company for the profitable cement factory at Bokajan by bifurcating it from the parent sick Cement Corporation of India (CCI); and

(b) whether his Ministry will consider this in the context of industrial backwardness of Assam?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABH BHAI RAMJIBHAI KATHIRIA): (a) and (b) Cement Corporation of India Ltd. (CCI) is a sick company under reference to Board for Industrial & Financial Reconstruction (BIFR), a quasi-judicial body. IFCI, the Operating Agency (OA) is handling the sale of CCI as a whole or its plants, individually or collectively, including